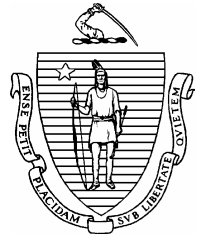


# Commonwealth of Massachusetts State Ethics Commission

One Ashburton Place, Room 619, Boston, MA, 02108  
phone: 617-371-9500, fax: 617-723-5851



SUFFOLK, ss

COMMISSION ADJUDICATORY  
DOCKET NO. 06-0018

## IN THE MATTER OF HARRY GANNON

### DISPOSITION AGREEMENT

The State Ethics Commission and Harry Gannon enter into this Disposition Agreement pursuant to Section 5 of the Commission's *Enforcement Procedures*. This Agreement constitutes a consented-to final order enforceable in the Superior Court, pursuant to G.L. c. 268B, §4(j).

On July 25, 2006, the Commission initiated, pursuant to G.L. c. 268B, §4 (a), a preliminary inquiry into possible violations of the conflict-of-interest law, G.L. c. 268A, by Gannon. The Commission has concluded its inquiry and, on September 13, 2006, found reasonable cause to believe that Gannon violated G.L. c. 268A.

The Commission and Gannon now agree to the following findings of fact and conclusions of law:

### *Findings of Fact*

1. In 1985, Gannon became the paid, appointed Maynard town accountant.
2. Prior to 1999, the town accountant administered the Maynard Retirement Board's ("Board") functions and received an extra \$3,000 annually for the services.
3. In 1999, the Board, with Gannon serving ex officio as town accountant, created and funded a new position of executive director of the retirement board.
4. Gannon participated in the Board's actions to create and fund the position. The salary was set at \$12,000 per year. When Gannon so participated he knew he would likely be appointed to fill this position.
5. The Board then voted, with Gannon abstaining, to appoint the town accountant (Gannon) as the executive director, a position he continues to serve in currently. In effect, this action by the Board resulted in an annual salary increase for Gannon of \$9,000.
6. Gannon then served as both the paid town accountant and paid retirement board executive director from September 2000 until December 31, 2002, when he retired as town accountant.

### ***Conclusions of Law***

7. As the Maynard town accountant, Gannon was a municipal employee as defined by G.L. c. 268A, § 1.

8. Except as otherwise permitted, § 20 of G.L. c. 268A prohibits a municipal employee from having a financial interest, directly or indirectly, in a contract made by a municipal agency of the same city or town, in which the same city or town is an interested party of which financial interest the employee has knowledge or reason to know.

9. Gannon's paid appointment as executive director of the retirement board in September 2000, while he was already serving as the paid town accountant gave him an ongoing prohibited financial interest in a contract made by the town of Maynard in which the town was an interested party.

10. Gannon knew or had reason to know of his financial interest in that contract.

11. Thus, by serving as the paid retirement board executive director while being the town accountant, Gannon repeatedly violated § 20.<sup>1</sup>

### ***Resolution***

In view of the foregoing violations of G.L. c. 268A by Gannon, the Commission has determined that the public interest would be served by the disposition of this matter without further enforcement proceedings, on the basis of the following terms and conditions agreed to by Gannon:

- (1) that Gannon pay to the Commission the sum of five thousand dollars (\$5,000.00) as a civil penalty for repeatedly violating G. L. c. 268A § 20;
- (2) that Gannon pay to the Commission the sum of twenty thousand dollars (\$20,000) as a civil forfeiture of the compensation that he received in violation of § 20; and
- (3) that Gannon waive all rights to contest the findings of fact, conclusions of law and terms and conditions contained in this Agreement in this or any other related administrative or judicial proceedings to which the Commission is or may be a party.

DATE: November 14, 2006

---

<sup>1</sup> The Commission's statute of limitations (930CMR 1.02 (10)) prevents the Commission from proceeding on Gannon's participation in 1999 in the creation of the retirement board executive director position.